CHAPTER I

REPORT

This Report of the Standing Committee on Information Technology deals with the action taken by the Government on the Observations/Recommendations of the Committee contained in their Forty-seventh Report (Fourteenth Lok Sabha) on 'The Role of Prasar Bharati and its future status' pertaining to the Ministry of Information & Broadcasting.

2. The Forty-seventh Report was presented to the Hon'ble Speaker on the 12.06.2007 and to Lok Sabha on 21.08.2007. The Report was laid on the Table of Rajya Sabha also on 21.08.2007. It contained 26 Observations/Recommendations.

3. Action Taken Notes in respect of all the Observations/ Recommendations contained in the Report have been received and categorised as under:

(i) Observations/Recommendations which have been accepted by the Government:

Para Nos: 1, 5, 6, 7, 18, 19, 20, 21, 24, 25, & 26.

Total: 11

Chapter- II

(ii) Observations/Recommendations which the Committee do not desire to pursue in view of the reply of the Government:

Para No: 15

Total: 1

Chapter- III

(iii) Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration:

Para Nos: 2, 3, 4, 9, 13, 16 & 17.

Total: 7

Chapter- IV

(iv) Observations/Recommendations in respect of which replies are of interim nature:

Para Nos: 8, 10, 11, 12, 14, 22 & 23

Total: 7

Chapter : V

4. The Committee trust that utmost importance would be given to the implementation of the Observations/Recommendations accepted by the Government. In cases, where it is not possible for the Department to implement the recommendations in letter and spirit for any reason, the matter should be reported to the Committee with reasons for non-implementation. The Committee further desire that Action Taken Notes on the Observations/Recommendations contained in Chapter-I and final action taken replies to the recommendations contained in Chapter-V of this Report should be furnished to them at an early date.

5. The Committee will now deal with the action taken by the Government on some of their recommendations.

I. Organisational Structure

Recommendation (Para No. 2)

6. The Committee in their Forty-seventh report had observed that out of the stipulated 15 members on the Prasar Bharati Board, 9 key posts were lying vacant for unduly long period of time. While deploring the callous attitude of the Ministry of Information and Broadcasting in filling up these vacancies, the Committee in the aforesaid Report had recommended that prompt measures should be taken for filling up the vacant positions on the Board in order to enable Prasar Bharati to function efficiently.

7. The Ministry in their Action Taken Note have stated as follows:—

"Since the last meeting of the Standing Committee on Information Technology, three part-time Members have been appointed. DG: AIR and DG: Doordarshan are also ex-officio Members of the Prasar Bharati Board. These posts are at present vacant and the process of filling up both these posts is at an advanced stage. As regards representatives of the employees on the Prasar Bharati Board, no one has been elected so far".

8. The Committee are highly dissatisfied to observe that inspite of their specific recommendation in the Forty-seventh Report to urgently fill up the vacant posts on the Prasar Bharati Board, the Ministry of Information and Broadcasting have been able to achieve precious little. The key post of the Executive Member is still lying vacant. More importantly, the posts of DG: AIR and DG: Doordarshan, who are the *ex-officio* Members on the Prasar Bharati Board and the virtual interface between the Board and AIR and DD, are also yet to be filled up. Last but not the least, no representative of the employees of Prasar Bharati has so far been elected to the Board under the specious plea that the status of Prasar Bharati employees is yet to be clearly defined. Under these circumstances, the Committee wonder how Prasar Bharati, which is entrusted with the onerous responsibility of public service broadcasting, would be able to effectively discharge the mandated responsibilities when its Board is kept in limbo indefinitely. The Committee in their Fifty-fifth Report on Demands for Grants (2008-2009) of the Ministry presented to Lok Sabha on 16 April, 2008 have, in view of this pressing need, recommended that the vacant positions be filled up by persons of eminence with vision and immense professional expertise who are capable of steering the organisation to newer heights with proper guidance and directional support. The Committee expect the Ministry to at least now realize the gravity of the situation and take urgent steps to fill-up the vacant positions on the Board without any further delay.

II. Autonomy of Prasar Bharati

Recommendation (Para Nos. 3 & 4)

9. Not convinced with the compulsions on the part of the Government for retaining a whole lot of powers with themselves like making rules with regard to service conditions, salary and allowances and investing of funds of Prasar Bharati under Section 32 of the Prasar Bharati Act, the Committee had opined that the provisions under the said Section might seriously impede the autonomous character of the Corporation and come in the way of attaining its avowed objectives. Recommending corrective measures to accord Prasar Bharati autonomy in the true sense of term, the Committee hoped that the proposed move for the capital and financial restructuring of Prasar Bharati and funding its public service broadcasting/operations would create a favourable atmosphere enabling the Corporation to uphold the unity and integrity of the nation by nurturing the democratic and social values enshrined in the constitution.

10. The Ministry in their Action Taken Note have stated as follows:—

> "As has already been submitted at the time of evidence before the Committee, rule making powers with respect to recruitment, service conditions, investments and others have been kept with the Government because of the over dependence of Prasar Bharati on Government funds. Unless Prasar Bharati has a self-sustaining model of funding its requirements, such rule making powers are bound to be there with the Government. The GoM in its meeting on 5th October, 2007 has taken a view that the erstwhile employees of Government with Prasar Bharati shall continue to be on deemed deputation with all benefits that are available to any Government employee. On the issue of funding, the GoM is yet to firm up its views.

11. The Ministry have further stated as under:—

> "Various models of funding as brought out in the report of Committee on capital and financial restructuring of Prasar Bharati and funding of Public Broadcasting Service Corporation across the world are being examined by the Group of Ministers for a final view. GoM has also expressed a view that Prasar Bharati should continue to discharge its role as a Public Service Broadcaster. Since Public Service Brodcasting operations by themselves cannot generate sufficient revenue, hence Prasar Bharati will have to be substantially funded either directly by the Government or by other means. GoM is yet to take a final view of the funding pattern."

12. The Committee are not at all satisfied with the sorry state of affairs in which Prasar Bharati has been rendered into due to the continuous inaction of the Ministry, in sorting out its problems. Prasar Bharati has been in existence since 1997. Even after a decade, basic things like organisational, capital and financial restructuring, personnel matters and service conditions are all in a state of uncertainty and confusion thereby causing incalculable damage to the organisation and in the process to the public service broadcasting service. With these many impediments, nothing has gone right with Prasar Bharati since inception. Today, it is an unenviable situation. The Government on the one hand want to retain several crucial decision making powers till such time a self sustaining model of funding is worked out by Prasar Bharati. On the other hand, the organisation is being denied basic functional autonomy, thereby, rendering it incapable of sustaining itself on its own. The Committee are of the view that there is no reason why Prasar Bharati cannot

generate adequate revenue or develop a self-sustaining funding pattern, even while performing the role of the public Service Broadcaster, if they are accorded autonomy in the truest sense of the term. The Committee, therefore, impress upon the Government to consider vesting the rule making powers like service conditions, salary and allowances and investment of funds with the Prasar Bharati itself so that the Corporation is able to carry out its avowed objectives independently and effectively.

III. Financing and Funding Pattern

Recommendation (Para Nos. 9 & 13)

13. In their earlier Report, the Committee had observed that there had been no serious follow up to the recommendations of the Sengupta Committee (1996), Review Committee (1999) and the Committee on Capital and Financial Restructuring of Prasar Bharati (2006) which were appointed to go into the various aspects of working of Prasar Bharati. The Committee had further observed that the recommendations of the Committee on Capital and Financial Restructuring stood referred to a Group of Ministers (GoM) who had asked the Ministry of Information and Broadcasting to discuss the Proposals in detail with the Ministry of Finance so as to enable the GoM to finalise its recommendations. Acknowledging that funding pattern of Prasar Bharati was a key factor in determining the autonomy of the Corporation and deploring the undue delay in arriving at a definite decision on the issue, the Committee had hoped that the Ministry of Information and Broadcasting would take urgent action, as advised by the GoM, to end the stalemate.

14. The Ministry in their Action Taken Note have stated as follows:—

> "It was possible only after the increase in Revenue generation of the Prasar Bharati. However, 70% (approx.) of funds required by the Prasar Bharati are provided by the Government under Plan and Non-plan allocations. However, a Committee has been constituted by Government with a view to enabling Prasar Bharati to meet their twin objectives of social obligations as well as financial independence in an effective manner in the prevailing competitive market environment. The recommendations of the Committee on capital and financial restructuring of Prasar Bharati and various options with respect to funding of Prasar Bharati are before the Group of Ministers. The Group of Ministers in its last meeting held on 5th October, 2007 has desired the Ministry to discuss the proposals in detail with the Ministry of Finance for GoM to finance its recommendations."

15. The Committee are dissatisfied to note that although the Group of Ministers (GoM) in its last meeting held on 5 October, 2007 had desired the Ministry of Information and Broadcasting to discuss the capital and financial restructuring proposals for Prasar Bharati in detail with the Ministry of finance, yet the Ministry of Information and Broadcasting are conspicuously silent about the compliance to the GoM's directions in this regard. At the cost of sounding repetitive, the Committee would like to reiterate the recommendations made in their Fifty-fifth Report on the Demands for Grants (2008-09) of the Ministry in this regard that the Ministry should atleast now work on this aspect with utmost alacrity so that necessary feedbacks are made available to the GoM without any further delay to enable them to finalise their recommendations on this vital issue.

IV. Digitisation of Terrestrial Network

Recommendation (Para Nos. 16 & 17)

16. Distressed at the very slow pace of digitisation of Doordarshan network which had put Prasar Bharati in a very disadvantageous position in the prevailing competitive scenario in the electronic media, the Committee in their earlier Report had emphasised that digitisation of Doordarshan network should be accorded top priority and pursued vigorously.

17. The Ministry in their Action Taken Notes have stated as follows:—

> "Prasar Bharati has agreed with the recommendations and intimated that provisions have been projected in the draft 11th Plan for digitisation of the DD Network. Doordarshan has initiated process of digitisation by establishing of DVBT transmitters at 4 meters. Utilisation of the digital transmitter at Delhi to provide mobile TV service has been started in May 2007. It is proposed to provide similar mobile TV service through digital transmitter at other metro cities also. Digitisation of terrestrial transmitter is one of the thrust areas of 11th Plan. For the digitisation of the transmitter network Rs. 1166 crore was projected in the 11th Plan. However, due to reduced overall allocation indicated by planning Commission for the 11th Plan, this outlay is proposed to be reduced to Rs. 210 crore. With the reduced allocation it will be difficult to complete the digitisation targets by 2017 (Proposed date for completion of migration to digital). It is felt that there is a need for enhancement of the allocation outlay for digitisation under 11th Plan to hasten the process. In addition, Government may have to look at public

private partnership for the digitisation of the network. The Working Group for the 11th Plan and the Telecom Regulatory Authority of India (TRAI) have made a recommendation of this effect, which are under consideration of the Government. Digitisation of AIR network is one of the major thrust areas of 11th pPlan. This includes digitisation of the programme production, transmission facilities and connectivity. AIR had projected Rs. 3145 crore for digitisation during the 11th Plan. However due to reduced overall allocation indicated by Planning Commission for the 11th Plan, this Outlay is proposed to be reduced to Rs. 955 crore. With the reduced allocation it will be difficult to complete the digitalisation targets by 2017. There is a need to enhance the allocation outlay to hasten the digitisation as well as to complete the migration to digital in time."

18. The Committee note that digitisation of Doordarshan terrestrial transmitter and AIR network is one of the major thrust areas of the Eleventh plan. Towards that end, a sum of Rs. 1166 crore and Rs. 3145 crore respectively were proposed for the Plan period. But the Committee are extremely concerned to observe that the proposed Outlay would be reduced to Rs. 250 crore and Rs. 955 crore respectively due to the overall reduction in the allocation during the Eleventh Plan as indicated by the Planning Commission. The Committee are of the firm opinion that migration from terrestrial to digital transmission is a pre-requisite for quality broadcasting. Needless to say, with the reduced allocation, it would be very difficult on the part of Prasar Bharati to complete the digitisation targets by the end of the Twelfth Plan *viz.* 2017. The Committee, therefore, impress upon the Ministry to urgently take up the matter with the Planning Commission/Ministry of Finance to get an enhanced allocation of funds for Prasar Bharati during the remaining period of the Eleventh plan and even beyond, so that digitisation of Doordarsan terrestrial transmitters/AIR network is hastened and complete migration from terrestrial to digital network is achieved by 2017. The Committee further desire that the feasibility of public private partnership for digitisation of Doordarshan terrestrial network, as recommended by the Working Group for the Eleventh plan as well as the Telecom Regulatory Authority of India (TRAI) may also be considered in all its ramifications and appropriate measures taken thereafter.

V. Programme content and production and Human Resource Development

Recommendation (Para Nos. 19 & 25)

19. In their Forty-seventh Report, the Committee, realizing that there was much scope for improvement in the quality of the

programmes broadcast/Telecast by the All India Radio and Doordarshan had recommended that more professionally qualified personnel should be deployed in AIR/Doordarshan to effectively monitor the content and production of programmes and the Programme Advisory Committees be made more purposeful. Furthermore, the Committee on observing the pressing need for induction of creative and young talent to rejuvenate the organization had recommended that National productively Council (NPC) which had been engaged by Prasar Bharati to go into the orgnizational restructuring of the organizations be asked to expedite the study so that further necessary action was taken without any delay.

20. The Ministry in their Action Taken Note have stated as follows:—

> "Prasar Bharati agree entirely and steps will be taken to follow these directions. All India Radio and Doordarshan have been constantly aiming for excellence both in terms of content and quality. New Guidelines for Commissioning of programmes have been approved by the Prasar Bharati Board. Hence, money constraint will be addressed by way of capital restructuring and will further lead to substantial improvement in the quality of programmes. Joint Programme Advisory Committees have been set up at many State Capitals. These Committees aid and advise the concerned AIR and Doordarshan Stations to plan and produce good quality programme. Overall shortage of manpower is affecting the content generation and quality of programmes. Lifting of ban on filling up of the posts and recruitment would help in this regard."

21. The Ministry have also stated that the NPC has been asked to expedite submission of its Report. According to them, the GoM has recognised the need of filling the vacancies.

22. The Committee acknowledge the fact that shortage of overall manpower, especially professionally qualified personnel is a definite and major handicap in the content generation and improvement of the quality of programmes. Apparently, the main hurdle in taking any concrete action in this regard is the delay in submission of report by the National Productivity Council (NPC) which has been engaged by the Prasar Bharati to go into its organisational restructuring. The Committee during the course of examination of the Demands for Grants (2008-09) had been informed that the total requirement including the vacant posts in Prasar Bharati is 17214. Such a huge gap between the required and the existing manpower further emphasizes the need to resolve the issue expeditiously. The

Committee feel that enough time has been spent on the plea of the entire process being put on a hold while awaiting for the report of NPC. The Committee, therefore, would like to reiterate the recommendation made by them in their Fifty-fifth Report that the NPC should be asked in clear cut terms to give its report by a stipulated early date and Prasar Bharati should then work out and submit a comprehensive proposal to the Ministry so that a permanent solution is worked out by the Ministry in consultation with the Ministry of Finance. In the meantime, some relief ought to be provided to Prasar Bharati immediately, so that it is able to augment its staff strength through some short term measures. The Committee would like to be apprised of the action taken in the matter on priority.

VI. Recruitment Rules and Service Conditions of Employees

Recommendation (Para No. 24)

23. In their earlier Report, the Committee had observed that the employees of Prasar Bharati had been deprived of the benefits like accommodation and CGHS facilities and admission of their wards in the Central School as normally admissible to the Government employees. Cautioning that such deprivation might breed discontentment and indiscipline among the employees of Prasar Bharati resulting in lower output, the Committee had recommended that the Ministry should take up the matter at the appropriate fora to redress the grievances of the employees.

24. The Ministry in their Action Taken Note have stated as follows:—

> "As regards providing accommodation, CGHS facility and admission of wards of the employees of Prasar Bharati in the Central schools at par with the Central Government employees, the GoM has recommended the same in its meeting held on 05.10.2007. As regards admission of wards of the employees in Kendriya Vidyalayas, a letter has been sent to the Ministry of HRD from the Minister of Information & Broadcasting. The matter relating to CGHS facility in being taken up at Minster's level with the Ministry of Health. For extending the facility of accommodation, the matter is being referred to Cabinet Committee on Accommodation.
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> The Ministry have also stated that in its last meeting held on 5 October, 2007, the GoM decided that the employees of Prasar Bharati will be on 'deemed deputation' with all facilities at par with the Central Government employees.

25. The Committee note that pursuant to the GoM's recommendation on the provision of accommodation, CGHS facility and admission of wards of the employees of Prasar Bharati in the Central Schools at par with Central Government employees, the Ministry of Information and Broadcasting are taking up the issues at the respective levels. In order to avoid discontentment and low morale/commitment among the employees of Prasar Bharati, the Committee desire that the Ministry of Information and Broadcasting should urgently and vigorously pursue the matters with the respective Ministries/Departments to get the above said benefits available to the employees of Prasar Bharati at an early date, Particularly when the GoM has already decided to treat Prasar Bharati employees, as on 'deemed deputation' with all facilities at par with the Central Government employees.

VI. The Future Status of Prasar Bharati

Recommendation (Para No. 26)

26. Noting the fact that a Group of Ministers (GoM) was constituted by Government on 7th March, 2000 to address some of the problems plaguing Prasar Bharati as well as to evolve strategies to sustain its performance in the current tempo, the Committee had desired that the GoM would give due weightage to their recommendations regarding several vital issues pertaining to the role of Prasar Bharati and its future status.

27. The Ministry in their Action Taken Note have stated as follows:—

> "The recommendations of the honourable Standing Committee have been placed before the Group of Ministers in its 5th meeting on 5th October, 2007 and a presentation also made before the GoM by the Ministry. GoM has taken note of the recommendations of the Committee."

28. The Committee appreciate to note that their recommendations on several vital issues pertaining to the role of Prasar Bharati and its future status have been taken note of by the Group of Ministers. In view of the imperatives and urgency involved, the Committee hope that the Government will take positive action at an early date in removing the serious problems that are besetting Prasar Bharati so that it becomes a professional, self sustaining and autonomous public Service Broadcaster in the truest sense.

CHAPTER II

OBSERVATIONS/RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Functions and Objectives

Recommendation (Para No. 1)

Prasar Baharati came into existence on 23rd November, 1997 bringing Akashwani (AIR) and Doordarshan (DD) under one roof following the enactment of Prasar Bharati (Broadcasting Corporation of India) Act, 1990. With its vision of 'Bahujana Hitaya Bahujana Sukhaya' AIR has played a pivotal role in meeting the education, entertainment and information needs of the people since the time it was formed in 1923. From a modest beginning in September, 1959 with a small transmitter in Delhi, Doordarshan has grown to be one of the largest terrestrial networks in the world. As enshrined in Section 12 of the Prasar Bharati Act, 1990 the Corporation would be guided by specified objectives with emphasis on unholding the unity and integrity of the country, nurturing the democratic and social values enshrined in the constitution and projecting the varied culture, tradition of different regions of the country. In a multi-ethnic and multi-linguistic country like ours, Prasar Bharati's role in upholding the unity and integrity of the nation cannot be over-emphasized. However, having gone into the role of Prassar Bharati and its future status, the Committee find that there are several areas relating to the working of the Corporation which call for specific attention, bold decisions and systematic follow-up on the part on the part of the Government. These aspects have been dealt with by the Committee in detail in the subsequent paragraphs.

Action Taken by the Government

Statement of facts. Hence comments not required.

[Ministry of Information & Broadcasting, O.M. No. 10/42/2006-B (Fin.), dated 8 November 2007]

The Role of Prasar Bharati as a Public Service Broadcaster (PSB)

Recommendation (Para No. 5)

With the latest technological innovations and rapid proliferation of private radio stations and television channels, Public Service

Broadcasting attains greater significance. In a Multi-channel scenario that is mostly driven by market forces, the country can ill afford to ignore the information and education needs of the rural masses and the less privileged citizens. As distinct from commercial broadcasters, the Public Service Broadcaster is meant to foster national integration, preserve the nation's cultural heritage, provide platform for interaction between the common man and policy makers, etc. The Public Service Broadcaster is also expected to play the role of a catalyst for rapid socio-economic transformation. This is even more important in a country like ours with distinct cultures, multiple religions and ethic diversities. Recognizing the essentiality of Public Service Broadcasting in our country, the Committee would like to stress that Prasar Bharati should, at any cost continue to fulfil its mandate as a Public Service Broadcaster.

Action Taken by the Government

As stressed by the Committee, Prasar Bharati has to continue to fulfil its mandate as public Service Broadcaster. Both Doordarshan and All India Radio have been continuously striving to fulfil its role in the regard. The GoM is also of the view that Prasar Bharati should continue to discharge the mandate given to it under Section 12 of the Prasar Bharati.

[Ministry of Information & Broadcasting, O.M. No. 10/42/2006-B (Fin.), dated 8 November 2007]

Recommendation (Para No. 6)

The Committee find that AIR devoted about 51% and DD-I about 46% of the time for programmes on art and culture, women's education, environment, sports, rural development, etc. Both AIR and Doordarshan continue to broadcast regular programmes on farm and home, family welfare, National Rural Health Mission, AIDS awareness through special programmes 'Jeevan Hai Anmol' 'Jassos Vijay' 'Kalyani programme' etc. According to the Ministry, Prasar Bharati has been able to play a crucial role in determining the direction and thrust of broadcasting in India and setting standards through programmes that are meaningful and absorbing. As a major step forward in this direction, Doordarshan has been executing a major project under which literary classics in various Indian Languages are selected for making serials on them by award wining producers after which they are dubbed in other Indian languages and telecast in other regions of the country. While taking note of the distinguished role being played by Prasar Bharati as an agent of social transformation and development, the Committee are of the considered view that, with multiple players now in the field of

broadcasting, Prasar Bharati can ill-afford to dilute in any way its avowed objective of public Service Broadcasting. On the other hand there is an urgent need to find innovative ways and means of stepping up its coverage of the rural areas and difficult terrains.

Action Taken by the Government

Prasar Baharti is taking steps and would continue to take them to step up its coverage.

Regarding the suggestions to find innovative ways and means of stepping up its coverage of rural areas and difficult terrain, steps have been proposed in the 11th Plan in this regard. Some of these include:

Multi channel DTH service is proposed to be augmented to provide additional channels to cater to diversified requirements of the masses in puristic country like ours.

For coverage of A & N islands, DTH service in C-Band is expected to be started by 2008.

To increase the coverage in rural areas, narrow casting the programmes for farming community through HPTs and LPTs in consultation with Ministry of Agriculture.

Up gradation of some transmitters and installation of number of LPTs by All India Radio is proposed in 11th Plan to extend the coverage for rural areas and difficult terrain.

[Ministry of Information & Broadcasting, O.M. No. 10/42/2006-B (Fin.), dated 8 November 2007]

Recommendation (Para No. 7)

With Public Broadcasting not being a financially viable proposition, the need for revenue generation is the first and foremost hurdle for Prasar Bharati in carrying on its mandate as a Public Service Broadcaster. Endowed with social obligation of public broadcasting, the Corporation has serious limitations for competing with other commercial broadcasters in the country. In that sense, the CEO, Prasar Bharati was emphatic in his view: "We should not compete with commercial broadcasters and our major objective should not be revenue earning." Therefore, maintaining a balance between Public Service Broadcasting and revenue generation has been a formidable challenge before Prasar Bharati ever since its inception. At the same time the Committee note that sharing of social obligation in broadcasting by commercial broadcasters is, in fact, another important issue that needs

to be addressed. They also note that the role of Public Broadcasting is well defined all over the world and the Public Broadcaster is given a clear-cut mandate with definite resources. In this background, there is need for Prasar Bharati to carry on Public Broadcasting functions efficiently at optimum cost and at the same time achieving maximum profitability on commercial broadcasting operations. It is also inevitable that Prasar Bharati should continue with its role as an agent of enrichment and empowerment of the masses, the strong dictates of financial self-reliance notwithstanding. The Committee, therefore, recommend that Government should formulate specific strategy to ensure that social obligation is shared by all the players in the broadcasting sector and to ensure definite financial support to Prasar Bharati in order that Public Service Broadcasting continues to be its hall mark. They expect the Government to take prompt measures in this regard.

Action Taken by the Government

The need for casting Public Service Broadcast obligations on the Private Commercial Broadcasters has already been recognized by the Government in the Draft of the Broadcasting Services Regulation Bills, 2007 prepared by the Ministry and under consultation with various stakeholders. Detailed provisions have been made in Section 13 (copy of the relevant proposed provisions enclosed). The provisions not only provide for a minimum percentage of domestically produced content to promote indigenous media/entertainment industry but also cast minimum obligations on all channels for public Service Broadcasting in the programme and advertising content.

2. It also provides for financial penalties for non-compliance and creation of a Public Service Broadcasting Council to discharge the responsibility of ensuring compliance to the Public Service Broadcasting obligations. The details of the Public Service Broadcasting Council are given in Chapter-4 of the Draft Bill (copy of relevant provisions enclosed).

3. It has been argued by media and industry organizations that functions proposed for the Council can be performed by the Regulatory Authority itself and there is no need of a separate Council. The Ministry is at present preparing a formulation whereby the Regulatory Authority will be required to submit its recommendations on the Public Service Broadcasting obligations to the Government after further detailed consultations with stakeholders, rather than incorporating such obligation in the Act itself. The proposals for the Council is also being dropped and the responsibility being given to the Authority itself.

[Ministry of Information & Broadcasting, O.M. No. 10/42/2006-B (Fin.), dated 8 November 2007]

13. Public Service Broadcasting Obligations: Every broadcasting service provider shall discharge such public service broadcasting obligations as the Central Government may prescribe form time to time in accordance with limits indicated below:

(a) The share of content produced in India shall be as prescribed by the Central Government and shall not be less than 15% of the total content of a channel broadcast during every week.

(b) The share of public service/social messaging through advertisements and such other promotional materials/ messages shall be as notified by Central Government from time to time and not more than 10% of the total commercial time of channel broadcast during every week.

(c) The share of public service/socially relevant programme content shall be as notified by Central Government from time to time and more than 10% of the total programme content of a channel broadcast during every week.

Provided that the Central Government may provide a time frame to comply with any one or more of the obligations as mentioned above.

Provided further that Central Government may lay down policy Guidelines to either exempt or to allow partial compliance or the permissible manner of compliance with respect to an individual broadcaster or certain categories of broadcasters.

(2) In the event of failure to comply with the public service obligation, every content-broadcasting service provider shall be liable to pay such amount to the Authority as may be calculated by the Authority in the manner prescribed by the Central Government towards its public service obligation.

(3) (i) Public Service Broadcasting Constituted under the Act shall discharge the responsibility of ensuring compliance of public service broadcasting obligations by broadcasters and shall suggest to the Authority the amount of penalty to be a broadcaster for non-compliance of its obligation as laid down under subsection (1).

(ii) Public Service Broadcasting Council will also lay down regulations from time to time as to what will constitute public service/socially relevant programming or messaging and how its share is to be calculated.

(4) The amount of penalty paid shall be deposited in a fund to be called the "public service broadcasting obligation fund"

CHAPTER 4

PUBLIC SERVICE BROADCASTING COUNCIL

30. Establishment of Public Service Broadcasting Council, term of office of members thereof.—(1) There shall be established, by notification a Council, to be known as the Public Service Broadcasting Council.

(2) The Broadcasting Council shall consist of—

(i) a President and five other members to be appointed by the Central Government from amongst persons of eminence in public life, media and civil society organisations; and one representative of Prasar Bharati.

(ii) at least two persons in the Council should be women.

(3) The President of the Broadcasting Council shall be a whole-time member and every other member shall be a part-time member and the President or the part-time member shall hold office as such for a term of three years from the date on which he enters upon his office.

(4) The President of the Broadcasting Council shall be entitled to such salary and allowances and shall be subject to such conditions of service in respect of leave, pension (if any), provident fund and other matters as may be prescribed:

Provided that the salary and allowances and the conditions of service shall not be varied to the disadvantage of the President of the Broadcasting Council after his appointment.

(5) The other members of the Broadcasting Council shall be entitled to such allowances as may be prescribed.

31. Powers and functions of the Public Service Broadcasting Council.— The Public Service Broadcasting Council shall exercise the following powers and functions:

(i) Ensure effective compliance of public service broadcasting obligations cast upon broadcasting service providers as per the provisions of this Act, and in the event of failure of a licensed service

provider to meet such obligations, suggest to the Authority the amount of penalty to be levied and collected as per guidelines laid down by Central Government;

(ii) make recommendations to the Central Government on whether a broadcasting channel deserve to be categorized as a public service broadcasting channel;

(ii) institute national awards for public service broadcasting;

(iv) defy from time to time as to what will constitute public service/socially relevant programming or messaging;

(v) produce or organize the production of benchmark quality content, public service messages and programmes that private television can use to fulfil its public service broadcasting regulations;

(vi) create and administer mechanisms to provide free airtime for public service content created or funded by civil society groups and NGOs etc., which may also indulge starting a public service broadcasting channel;

(vii) support formal training courses, workshops, seminars, discussions, research in Public Service Broadcasting for content producers, media watchers, critics and those working in the social sector.

32. Powers of the President: The President shall have powers of general superintendence and direction in the conduct of the affairs of the Council and he shall, in addition to presiding over the meetings of the Council, exercise such powers of the Council, and shall discharge such functions of the Council, as may be prescribed.

33. Removal or resignation of President and members: (1) The Central Government may remove from office the President or any member of the Council who:

(a) Ceases to be a citizen of India; or

(b) Is adjudged an insolvent; or

(c) Is convicted or any offence involving moral turpitude; or

(d) Is, in the opinion of the Central Government, unfit to continue in office by reason of infirmity or body or mind; or

(e) Acquires such financial or other interest as is likely to affect prejudicially his functions as a Chairperson or member;

(f) Abuses his position so as to render his continuance in office prejudicial to public interest.

(2) The President or any other member may resign his office by giving notice thereof in writing to the Central Government and on such resignation being accepted, the President or the member shall be deemed to have vacated his office.

34. Meetings of the Council or its Committees: (1) The Council may constitute committees of the Council for specific purposes, and make regulations for the transaction of business at the meetings of the Council as well as its committees.

(2) The Council or its Committee shall meet at such time and place and shall observe such procedure in regard to the transaction of business at its meetings as may be provided by regulations.

(3) The President shall preside at the meetings of the Council or its Committee, and if for any reason he is unable to attend any meeting, any other member elected by the members present at such meeting shall preside at the meetings.

(4) A member shall be deemed to have vacated his office if he absents himself for three consecutive meetings of the Council without the leave of the President.

(5) All questions which come up before any meeting of the Council shall be decided by a majority of the votes of the members present and voting and, in the event of an equality of votes, the president, or in his absence, the person presiding, shall have and exercise a second or casting vote.

35. Vacancies not to invalidate proceedings: No act or proceedings of the Council shall be invalid merely by reason of—

(a) Any vacancy in, or any defect in the constitution of, the Council; or

(b) Any defect in the appointment of a person acting as a member; or

(c) Any irregularity in the procedure of the Council not affecting the merits of the case.

36. Secretary and other officers and employees of the Council: (1) Secretary of the Council shall be the Chief Executive Officer of the Council. Subject to the provisions of section 32 of the Act, the Secretary shall exercise such powers and discharge such functions of the Council as may be delegated to him by the Council.

(2) The Central Government shall make available to the Council, a panel of not less than three officers of the rank of the Joint Secretary to the Government of India, and the Council may select one of them and recommend his appointment as Secretary of the Council to the Government.

(4) The Council may appoint such officers and other employees, as it considers necessary for the efficient discharge of its functions under this Act in the manner as provided by the regulations.

(5) The salary and allowances payable to and other conditions of service of the officers and other employees of the Council shall be such as may be determined by regulations.

37. Finance, Accounts and Audit: (1) The Central Government may for enabling the Council to discharge its functions efficiently, after due appropriation made by Parliament by law in this behalf, pay to the Council in each financial year such sums of money as the Government considers necessary by way of grants-in-aid.

(2) The Council shall have its own fund and all the receipts of the Council shall be credited to the fund. All money belonging to the fund shall be deposited in one or more Scheduled Banks in such manner as the Council may decide and Council may spend such sums as it thinks fit for performing its function under this Act.

(3) The Council shall be able to collect any amount or donation or grant from any government or non government body as a contribution towards public service broadcasting obligation fund.

(4) The Council shall prepare, in such form and at such time each year as may be prescribed, a budget in respect of the financial year next ensuing showing:—

(a) The expenditure which is proposed to be met from the internal resource of the Council; and

(b) The expenditure which is proposed to be met from public service broadcasting obligation fund.

(c) The sums required from the Central Government to meet other expenses, and copies thereof shall be forwarded to the Central Government.

(5) The Council shall maintain proper accounts and other relevant records and prepare an annual statement of accounts in such form and in such manner as may be prescribed.

(6) The accounts of the Council shall be audited by the Comptroller and Auditor General of India at such intervals as may be specified by him and any expenditure incurred in connection with such audit shall be payable by the Council to the Comptroller and Auditor General.

(7) The Comptroller and Auditor General of India and any person appointed by him in connection with the audit of the accounts of the Council shall have the same rights and privileges and authority in connection with such audit as the Comptroller and Auditor General has in connection with the audit of Government accounts and, in particular, shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect the offices of the Council.

(8) The accounts of the Council as certified by the Comptroller and Auditor General of India or any other person appointed by him in his behalf together with the audit report thereon shall be forwarded annually to the Central Government and that Government shall cause the same to be laid before each House of Parliament.

(9) The Council shall, after the end of each financial year, submit to the Central Government a report on its activities during the preceding financial year and containing such information relating to the proceedings and policy of the Council, as the Government may prescribe from time to time.

(10) The Central Government shall cause such report to be laid before each House of Parliament.

38. Furnishing of returns, etc. to the Central Government: (1) The Council shall furnish to the Central Government at such time and in such form and manner as may be prescribed or as the Central Government may direct, such returns and statements and such particulars in regard to any proposed or existing program for the promotion and development of the public service broadcasting, as the Central Government may, from time to time, require.

(2) The Council shall prepare once every year in such form and at such time as may be prescribed, an annual summary of its activities during the previous year and copies of the report shall be forwarded to the Central Government.

(3) A copy of the report received under sub-section (2) shall be laid, as soon as may be after it is received, before each House of Parliament.

39. Power of the Council to make regulations: (1) The Council may, by notification, make regulations not inconsistent with this Act and the rules or guidelines issued thereunder, for enabling it to perform its functions under this Act.

(2) Without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely:

(a) The manner of appointment of officers and other employees of the Council;

(b) The salary and allowances payable to and other conditions of service of the officers and other employees of the Council.

(c) The times and places at which meetings of the Council may be held and, the procedure to be followed in regard to the transaction of the business at such meetings.

(d) The delegation of powers and functions to the President, members and other officers of the Council.

(e) The documentary record to be maintained by the licensees.

(f) The manner in which broadcasters shall establish and operate the system of self-certification of public service/ socially relevant programming or messaging.

(g) Constitution of public service/socially relevant programming or messaging and calculation of its share.

(h) Any other matter in respect of which provision is, in the opinion of the Council, necessary for the performance of its functions under this Act.

Provided that the regulations under clauses (a) & (b) above shall be made with the prior approval of the Central Government.

New Technologies

Recommendation (Para No. 18)

The Committee note that there is constant need for inducting innovative technologies for remaining competitive and effective in an era of convergence and also for widening the audience/viewership network of Prasar Bharati. K-band transmission by Doordarshan was started in December, 2004 and the number of TV Channels on DTH platform is now being increased from 33 to 50. In principle approval for high definition TV (HDTV), which produces five times more visual information than a conventional TV picture, has been received and the proposal for setting up production and transmission facilities at 4 Metro cities have been included in the 11th plan proposal. The Committee note that induction of other new technologies like Internet Protocol TV (IPTV), Mobile TV, Webcasting, SMS based interactivity etc. are at different stages of implementation or consideration by Doordarshan. AIR proposes to introduce multi-media service with multiple channels of programmes in satellite mode duly supported by terrestrial mode in metropolitan cities. There are also proposals for harnessing latest technologies in digital radio broadcast systems and introducing value added services like Dynamic Label, Interactive Text Transmission, Broadcast Website Multimedia object Transfer, etc. which will not only cater to the needs of various sections of the listeners but also provide scope of enhancing its revenue earnings. With plethora of new TV and FM channels entering into fray, both Doordarshan and AIR need to give thrust to induction of the latest technologies emerging in the broadcasting sector. The Committee stress that the new technologies be inducted at the earliest in order that Prasar Bharati may be able to reap the benefits of the same well in time.

Action taken by the Government

Prasar Bharati has stated that they are keeping a close watch on new and emerging technologies in the field of radio and TV broadcasting. These technologies are adopted in the AIR and Doordarshan network depending upon their suitability and availability of resources. Some initiatives recently taken/planned in near future include:

- Ku-band DTH transmission
- Mobile TV pilot project
- HDTV pilot project
- Automation of transmitters

- Interactive services
- Web-casting
- Archival management
- Digital multi-media service through terrestrial and satellite mode

For survey, experimentation and adoption of new technologies in the network an amount of Rs. 40 crores was projected under 11th Plan. However due to reduced overall allocation indicated by Planning Commission for the XI Plan, this outlay is proposed to be reduced to Rs. 20.00 crores. Further an amount of Rs. 210.00 crores and Rs. 165 crores has also been proposed for modernization of DTH and introduction of HDTV respectively.

[Ministry of Information & Broadcasting, O.M. No. 10/42/2006-B (Fin.), dated 8 November 2007]

Programme Content and Production

Recommendation (Para No. 19)

The Committee feel that what will determine the relevance and competitiveness of Doordarshan and AIR will be the content and delivery of the programmes. The CEO of Prasar Bharati hit the nail on the head when he admitted candidly that in any programme, the dulha is the programme content while all other allied actors are baratis. Notwithstanding the tall claims made by the Ministry before the committee that constant improvement are being made in the content, style of presentation, format and technology of programmes on the basis of feedback received from the listeners viewers through Audience Research Units and from IRS and TAM data, the general impression gathered by the Committee is that there is much scope for improvement in the quality of the programmes broadcast by AIR and Doordarshan. Specific attention of the Committee was drawn to the absence of strategisation and existence of a kind of tokenism in Prasar Bharati. When compared to the advancement being made by the media in general, the Committee feel that there is much scope for improvement in the quality of programmes by AIR and Doordarshan. Prasar Bharati needs to deploy more professionally qualified personnel for monitoring programme content and production. There is also need to make the Programme Advisory Committees and Programme Monitors more effective and purposeful. The Committee trust that Prasar Bharati will accord highest priority to content and delivery of programmers and orchestrated efforts will be made to bring about an overall improvement in the sphere.

Action taken by the Government

Prasar Bharati agree entirely and steps will be taken to follow these directions.

All Indian Radio and Doordarshan have been constantly aiming for excellence both in terms of content and quality.

New Guidelines for Commissioning of programmes have been approved by the Prasar Bharati Board. Hence, money constraint will be addressed by way of capital restructuring and will further lead to substantial improvement in the quality of programmes.

Joint Programme Advisory Committees have been set up at many State Capitals. These committees aid and advise the concerned AIR and Doordarshn Station to plan and produce good quality programme.

Overall shortage of manpower is affecting the content generation and quality of programmes. Lifting of ban on filling up of the posts and recruitment would help in this regard.

[Ministry of Information & Broadcasting, O.M. No. 10/42/2006-B (Fin.), dated 8 November 2007]

Comments of the Committee

(Please *see* paragraph No. 22 of Chapter-I)

Marketing

Recommendation (Para No. 20)

It is bewildering to note that with 225 Radio Stations and 361 Transmitters owned by AIR covering 91.42% of the country by area and 99.13% by population and despite broadcasting programmes in as many as 24 languages and 143 dialects, the listnership of AIR as per the market report in 2004-2005 stood at 53% in case of urban areas, 58% in case of rural areas and a paltry 30% in metro cities. Likewise, Doordarshan operates 26 channels with 64 Doordarshan Kendras and 1400 transmitters covering 90% of India by population, but the market share of DD-1 is 47.4%, DD News is 12.9% and DD Sports is 2.3% as per IRS Survey. The market share of advertisement revenue of Dooordarshan is only 20% with the remaining 80% being shared by private channels, indicating the need for refocussing marketing and advertisement approach and initiatives by Prasar Bharati. The

Committee, therefore, emphasise the urgency of strengthening the marketing set up in Prasar Bharati. They trust that the Corporation would rise to the occasion and do the needful in this regard.

Action taken by the Government

Prasar Bharati realizes the need and urgency for strengthening its marketing setup and has initiated certain steps and would strive to enlarge then in due course.

All India Radio and Doordarshan has a vast network covering major percentage of the country's population. While fulfilling its mandate as a Public Service Broadcaster, Prasar Bharati has definitely shifted to augmenting revenue generation during the past few years but even today public broadcast programmes are broadcast/telecast even at the cost of revenue loss.

In the direction of Marketing, Prasar Bharati has made considerable efforts by opening up various marketing Divisions in different parts of the country and these units are definitely delivering the goods. The magnitude of the problem is not only the lack of marketing efforts or the absence of skilled marketing professionals but the reasons are manifold. There was a time, only a few years back when the overall revenue of AIR was Rs. 69.00 crores whereas marketing Division Delhi alone procured business to the tune of more than Rs. 70.00 crores in the year 2005-2006.

As on date though a very few private players are operating as compared to the vast network of AIR and Doordarshan yet these have been successful in capturing a large share of advertising spends. Reasons are quality, content and innovative style of presentation of these channels and not only the marketing efforts. In order to compete with other private channels Prasar Bharati need a total revamping of their programme also.

Strengthening marketing set up in Prasar Bharati and induction and deployment of professionals in the field is a welcome step provided all other aspects are also taken into consideration. However, in this direction a few steps have already been taken. The requirement of professionals at lower and middle level has already been submitted by various Marketing Divisions.

The staff of AIR/Doordarshan having experience of commercial activities and wider prospective of the organization is better equipped for marketing. To bring professionalism, the other option could be

having the existing staff trained from Marketing/Business Institutes. To motivate them for better results an incentive scheme could also be evolved which would benefit the organization in the long run.

The overall revenue figures given below for the last few years clearly indicate that Prasar Bharati has been able to market their channels effectively and it also proves that the initiatives by Prasar Bharati in the direction of Revenue Generation have given positive and encouraging results:

Gross

2001-2002	711.89 crores
2002-2003	686.06 crores
2003-2004	673.75 crores
2004-2005	831.47 crores
2005-2006	1220.32 crores
2006-2007	1136.78 crores

[Ministry of Information & Broadcasting, O.M. No. 10/42/2006-B (Fin.), dated 8 November, 2007]

Recommendation (Para No. 21)

The weak point of Prasar Bharati, according to the Committee, is the non-existence of a professional marketing set up. This was corroborated by a representative of Prasar Bharati who conceded, "we accept that we are weak in marketing". Going to the genesis of the problem, it was brought out tellingly that it originated from the historical background in which AIR and Doordarshan enjoyed total monopoly in broadcasting sector where marketing efforts were not called for. Although Prasar Bharati has made some efforts in this direction by setting up Marketing Divisions in Delhi, Mumbai, Kolkata, Chennai, Hyderabad, Bangalore, Kochi, Guwahati and Thiruvananthapuram utilizing the existing manpower, it lacks the required professionalism and drive in the absence of skilled marketing professionals. There is an urgent need to restructure the marketing set up in Prasar Bharati through induction and deployment of professionals in the field. However, it is heartening to note that setting up of a professional marketing infrastructure is part of the terms of reference given to the national Productivity Council engaged for making a study on the organizational restructuring of Prasar Bharati. The Committee attach utmost importance to professional marketing set up in Prasar Bharati and desire that the move should be pursued vigorously. All

out efforts should to made to strengthen marketing set up in Prasar Bharati and to step up its advertisement revenue. The Committee would like to be apprised of the specific steps taken in this regard.

Action taken by the Government

Prasar Bharati realizes the need and urgency for strengthening its marketing set up and has initiated certain steps and would strive to enlarge them in due course.

All India Radio and Doordarshan has a vast network covering major percentage of the country's population. While fulfilling its mandate as a Public Service Broadcaster, Prasar Bharati has definitely shifted to augmenting revenue generation during the past few years but even today public broadcast programmes are broadcast/telecast even at the cost of revenue loss.

In the direction of Marketing, Prasar Bharati has made considerable efforts by opening up various marketing Divisions in different parts of the country and these units are definitely delivering the goods. The magnitude of the problem is not only the lack of marketing efforts or the absence of skilled marketing professionals but the reasons are manifold. There was a time, only a few years back when the overall revenue of AIR was Rs. 69.00 crores whereas marketing Division Delhi alone procured business to the tune of more than Rs. 70.00 crores in the year 2005-2006.

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Strengthening marketing set up in Prasar Bharati and induction and deployment of professionals in the field is a welcome step provided all other aspects are also taken into consideration. However, in this direction a few steps have already been taken. The requirement of professionals at lower and middle level has already been submitted by various Marketing Divisions.

The staff of AIR/Doordarshan having experience of commercial activities and wider prospective of the organization is better equipped for marketing. To bring professionalism, the other option could be

having the existing staff trained from Marketing/Business Institutes. To motivate them for better results an incentive scheme could also be evolved which would benefit the organization in the long run.

The overall revenue figures given below for the last few years clearly indicate that Prasar Bharati has been able to market their channels effectively and it also proves that the initiatives by Prasar Bharati in the direction of Revenue Generation have given positive and encouraging results:

Gross	
2001-2002	711.89 crores
2002-2003	686.06 crores
2003-2004	673.75 crores
2004-2005	831.47 crores
2005-2006	1220.32 crores
2006-2007	1136.78 crores

Another recent initiative in the direction of revenue generation is the recruitment of 6 Marketing Executives Grade-I by Prasar Bharati. These professionals have been placed in different marketing Divisions of the country including Delhi and Mumbai.

[Ministry of Information & Broadcasting, O.M. No. 10/42/2006-B (Fin.), dated 8 November, 2007]

Recommendation (Para No. 24)

The Committee also note with concern that the fate of the employees of Prasar Bharati who are not eligible for any additional benefits from Prasar Bharati because they are on "deemed deputation without deputation allowance", but are at the same time being deprived of the normal benefits admissible to government employees. It is distressing to note that the extended period for retention of accommodation allotted from the General pool to the employees of Prasar Bharati on 'Deemed deputation' would end on 21st November, 2007 although Prasar Bharati's own project for construction of staff quarters is nowhere near completion. Likewise, they are eligible only for OPD facilities under the Central Government Health Scheme (CGHS) which has been extended to them on cost-to-cost basis at par with the employees of other autonomous bodies. The wards of the employees of Prasar Bharati are also being deprived of the facility for

admission in Kendriya Vidyalayas. It is only logical that all the benefits entitled to Government servants should continue to be provided to the employees of Prasar Bharati till such time their services are absorbed in Prasar Bharati. Undoubtedly, these factors have left the employees of Prasar Bharati in the lurch, being deprived of the benefits on either side. In Committee's view this would only breed discontentment and indiscipline among the employees resulting in low morale and commitment. The Ministry cannot remain a mute spectator in such circumstances. The Committee recommend that the Ministry should take up these issues at the highest level so as to redress the grievances of the employees.

Action taken by the Government

As regards providing accommodation, CGHS facility and admission of wards of the employees of Prasar Bharati in the Central schools at par with the Central government employees, the GoM has recommended the same in its meeting held on 05.10.2007. As regards admission of wards of the employees in Kendriya Vidyalayas, a letter has been sent to the Ministry of HRD from the Minister of Information & Broadcasting. The matter relating to CGHS facility is being taken up at Minster's level with the Ministry of Health. For extending the facility of accommodation, the matter is being referred to Cabinet Committee on Accommodation.

[Ministry of Information & Broadcasting, O.M. No. 10/42/2006-B (Fin.), dated 8 November, 2007]

Comments of the Committee

(Please *see* paragraph no. 25 of Chapter-I)

Human Resource Development

Recommendation (Para No. 25)

The Committee note with concern that Prasar Bharati is plagued with a peculiar phenomenon wherein with the stated overstaffing on one side, there are as many as 90 radio stations across the country which are being run by programme executives in the absence of Station Directors and Assistant Station Directors and there is also dearth of personnel to take up important specialized functions in Accounts, Costing,, Finance, Human Resource Development, Marketing, Legal, Information Technology, Audit, etc. At present the organization has more number of staff on the programming, administrative and

engineering categories. The crux of the problem as identified by a representative of Prasar Bharati seems to be "rising average age of employees and lack of fresh blood". Obviously it calls for induction of young and creative talent to rejuvenate the organization. The Committee note that National Productivity Council has been engaged to go into the organizational restructuring of Prasar Bharati including managerial, organization and financial aspects. The Committee trust that the study would be expedited and the organizational restructuring, including introduction of suitable VRS depending on the need, would be taken up with a view to strengthening the human resource base of Prasar Bharati. The Committee would like to be apprised of the outcome of the whole exercise being undertaken by Prasar Bharati.

Action Taken by the Government

The National Productivity Council has been engaged by Prasar Bharati to go into the organizational restructuring of Prasar Bharati. The NPC has been asked the expedite submission of its report.

2. The GoM has recognized the need of filling the vacancies on a priority basis and has desired the Ministry to work out a comprehensive proposal in consultation with Finance Ministry.

[Ministry of Information & Broadcasting, O.M. No. 10/42/2006-B (Fin.), dated 8 November, 2007]

Comments of the Committee

(Please see paragraph no. 22 of Chapter I)

The Future Status of Prasar Bharati

Recommendation (Para No. 26)

The Committee note that a Group of Ministers was constituted by Government on 7th March, 2006 to address some of the problems plaguing Prasar Bharati as well as to evolve strategies to sustain its performance in the current tempo. The GoM is to examine various issues pertaining to the functioning of Prasar Bharati and strengthening the organization in respect of personnel administration, finance, programming, engineering, commercial and marketing activities with a view to giving it adequate strength to compete with private television and new FM radio channels while retaining its identity as a Public Service Broadcaster. The Group is also expected to resolve the various financial and administrative issues that will eventually lead to the

restructuring of Prasar Bharati. The GoM has so far held three sittings, *viz*. on 18th May, 2006, 14th August, 2006 and 31st August, 2006. The Secretary, Ministry of Information and Broadcasting had, during evidence, given an assurance that the recommendations of the Committee on the subject would be placed before the GoM before they take any final decision on the various aspects relating Prasar Bharati. With the Committee having dealt with and made important recommendations regarding several vital issues pertaining to the role of Prasar Bharati and its future status, they trust that the GoM will give due weightage to their recommendations on these matters. The Committee would await the decision of the Government on these matters.

Action taken by the Government

The recommendations of the honourable Standing Committee have been placed before the Group of Ministers in its 5th meeting on 5th October, 2007 and a presentation also made before the GoM by the Ministry. GoM has taken note of the recommendations of the Committee.

[Ministry of Information & Broadcasting, O.M. No. 10/42/2006-B (Fin.), dated 8 November, 2007]

Comments of the Committee

(Please *see* paragraph no. 28 of Chapter-I)

CHAPTER III

OBSERVATIONS/RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE REPLY OF THE GOVERNMENT

Recommendation (Para No. 15)

The Committee on Capital and Financial Restructuring had also worked out the future investment requirements of Prasar Bharati. After considering as many as six investment options for AIR, it was felt that Option IV with a total investment of Rs. 5900 crores envisaged for the next 10 years would be the best suited for balanced growth of broadcasting in the country. With this level of investment, the income projected by 2014-2015 was Rs. 1180 crores with a surplus of Rs. 1563.38 crores over a period of 10 years. Similarly out of the four options considered for Doordarshan, Option IV with an investment requirement of Rs. 3531 crores with provision for DTH with terrestrial and full digitalization seemed to be inevitable in view of technological changeover throughout the world towards digital broadcasting. The income projected under the option by 2014-2015 was Rs. 1645.34 crores with an overall deficit of Rs. 11,695.61 crores requiring Government support of Rs. 11,625.01 crores for Public Broadcasting Services over the period of ten years. During evidence the Secretary, Ministry of Information and Broadcasting exuded considerable optimism that although the investment requirements were quite high,, if the money could be invested, it would create a state-of-the-art infrastructure in the terrestrial and DTH network and would take Prasar Bharati to greater heights. The Committee have, nonetheless, not gone into the merits and demerits of each option, which they expect the Ministry to do. With no soft options left, the Committee are of the firm view that Government would have to take a few bold decisions to make Prasar Bharati viable and competitive. They are of the view that, having done so much of ground work, the question of capital and financial restructuring of Prasar Bharati should be pursued vigorously until it reaches the logical conclusion. At the same time, the Committee feel that the Herculian task of financial self-sufficiency in Prasar Bharati may not become a reality without mobilization of maximum resources internally. The Committee, therefore, also suggest that in the coming years Prasar Bharati should strive tirelessly to become financially self-reliant in order to reduce over-dependence on Government allocations.

Action Taken by the Government

The role of Prasar Bharati is determined by the statute. Therefore, certain funding by State either through budget grant and/or licence fee and/or Public Broadcasting Service Fee would always be required to fulfill its obligation towards Public Service Broadcasting. The issues of financial viability have to be balanced with the role of the Public Broadcaster assigned to Prasar Bharati under the Act. Elements of dependence on budgetary support, therefore, are inevitable under any programme of capital restructuring. Section 17 of the Prasar Bharati Act 1990 is relevant in this regard.

2. The recommendations of the Committee on capital and financial restructuring of Prasar Bharati and various options with respect to funding of Prasar Bharati are before the Group of Ministers. The Group of Ministers in its last meeting held on 5th October, 2007 has desired the Ministry to discuss the proposals in details with the Ministry of Finance for GoM to finalise its recommendations..

[Ministry of Information & Broadcasting, O.M. No. 10/42/2006-B (Fin.), dated 8 November, 2007]

CHAPTER IV

OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION

Organizational Structure

Recommendation (Para No. 2)

The Committee observe that the Prasar Bharati Board consists of a Chairman; six part-time members; three whole time members consisting of an Executive member, a Member (Personnel) and a Member (Finance); two Ex-Officio Members, viz. DG, Doordarshan and DG, AIR; one representative of the Ministry of Information and Broadcasting and two representatives of the employees of the Corporation. Out of the stipulated fifteen members on the board, as on 4th December, 2006 only six were in position with the key posts like that of the executive Member, Member (Personnel), Member (Finance) etc. remaining vacant. The new CEO, Prasar Bharati joined the Corporation on 2nd January, 2007 after the post having remained vacant for more than six months. It is astonishing to note that there are positions on the Prasar Bharati Board which have been lying vacant for more than three years. With the power of general superintendence, direction and management of the affairs of the Corporation having been vested solely on the Prasar Bharati Board, it is a matter of qualm as to how the truncated Board could discharge its responsibilities effectively in meeting the emerging challenges being faced by Prasar Bharati. It is, therefore, not surprising to the Committee that the performance of Prasar Bharati has remained lacklustre ever since its formation. The Committee deplore such a callous attitude on the part of the Ministry in not taking prompt measures for filling up the vacant positions on the Board of Prasar Bharati. They therefore, recommend that prompt steps be taken for filling up all the existing vacant positions on the Board and they be apprised of the outcome thereon.

Action Taken by the Government

Since the last meeting of the Standing Committee on Information Technology, three part-time Members have been appointed. DG : AIR and DG: Doordarshan are also ex-officio Members of the Prasar Bharati Board. These posts are at present vacant and the process of filling up both these posts is at an advanced stage. As regards representatives of the employees on the Prasar Bharati Board, no one has been elected so far. The latest copy of the current Board of Directors is enclosed.

[Ministry of Information & Broadcasting, O.M. No. 10/42/2006-B (Fin.), dated 8 November, 2007]

Comments of the Committee

(Please *see* paragraph no. 8 of Chapter-I)

PRASAR BHARATI BOARD

Chairman
M.V. Kamath

Chief Executive Officer
B.S. Lalli

Member (Finance)
A.K. Jain

Member (Personnel)
V. Shivakumar

Part-time Members
Ms. Chitra Mudgal
M.L. Mehta
R.N. Bisaria
Dr. Sunil Kapoor
Mr. George Verghese
Ms. Mamata Shanker

Representative of Ministry of Information & Broadcasting

Additional Secretary
Ex Officio Members
Director-General (Doordarshan)
L.D. Mandloi
Director-General (Akashvani)

Autonomy of Prasar Bharati

Recommendation (Para No. 3)

The Committee observe that it was with the objective of ensuring plurality and diversity of views and ideas to enable citizens to arrive at informed judgement on issues of concern to them that the Prasar Bharati was set up an autonomous body under the Prasar Bharati Act, 1990. Primarily, Prasar Bharati was expected to organize and conduct public broadcasting services to inform, educate and entertain the public and ensure a balanced development of broadcasting on Radio and Television. As compared to the other Public Sector Undertakings, Prasar Bharati was expected to act independently of the Government. Notwithstanding the noble ideals for attaining autonomy, the Committee note that Section 32 of the Prasar Bharati Act vests a whole lot of powers on the Government for making rules with regard to service conditions, salary and allowances, etc. and taking decisions with regard to investing of its funds, preparation of annual statement of accounts, preparation of annual report etc. Whatever might have been the compulsions for retaining these powers with the Government, the Committee believe that the provisions are serious impediments coming in the way of autonomy of Prasar Bharati and fulfilling the avowed objectives of the Corporation.

Action Taken by the Government

As has already been submitted at the time of evidence before the Committee, rule making powers with respect to recruitment, service conditions, investments and others have been kept with the Government because of the over dependence of Prasar Bharati on Government funds. Unless Prasar Bharati has a self-sustaining model of funding its requirements, such rule making powers are bound to be there with the Government. The GoM in its meeting on 5th October, 2007 has taken a view that the erstwhile employees of Government with Prasar Bharati shall continue to be on deemed deputation with all benefits that are available to any Government employee. On the issue of funding, the GoM is yet to firm up its views.

[Ministry of Information & Broadcasting, O.M. No. 10/42/2006-B (Fin.), dated 8 November, 2007]

Comments of the Committee

(Please *see* paragraph no. 12 of Chapter-I)

Recommendation (Para No. 4)

In this context, the Secretary, Ministry of Information and Broadcasting explained to the Committee that these powers have been retained by the Government on account of the fact that about 70% of funds required by Prasar Bharati are provided by the Government under Plan or Non-Plan allocation. The view put forward was that Prasar Bharati could not be expected to be given the same financial autonomy as that of PSUs enjoying Navratna status. however, the Secretary did admit that "Prasar bharati will never be able to achieve programme and editorial autonomy as long as they depend financially on Government." The CEO Prasar Bharati advocated that BBC is the best-suited model for any Public Service Broadcaster. Going a step further he commented, "I do not visualize Prasar Bharati with the kind of mandate that the Parliament of India has given it to deviate much from the BBC model." Another representative of Prasar Bharati felt that "as the Act stands, it would probably require an amendment to the Act." To say the least, in the present context, the concept of autonomy sounds a trifle jaded as far as Prasar Bharati is concerned and calls for serious measures to repair the same. The Committee trust that the proposed move for capital and financial restructuring of Prasar Bharati and funding of Public Service Broadcasting operations would create a favourable atmosphere for such a change. At the same time, they also stress that in a multi-ethnic and multi-linguistic society like ours, it should be ensured that the Corporation adheres to its specified objective of upholding the unity and integrity of the country and nurturing the democratic and social values enshrined in the constitution.

Action Taken by the Government

Various models of funding as brought out in the report of Committee on capital and financial restructuring of Prasar Bharati and funding of Public Broadcasting Service Corporation across the world are being examined by the Group of Ministers for a final view. GoM has also expressed a view that Prasar Bharati should continue to discharge its role as a Public Service Broadcaster. Since public Service Broadcasting operations by themselves cannot generate sufficient revenue, hence Prasar Bharati will have to be substantially funded either directly by the Government or by other means. GoM is yet to take a final view of the funding pattern.

[Ministry of Information & Broadcasting, O.M. No. 10/42/2006-B (Fin.), dated 8 November, 2007]

Comments of the Committee

(Please *see* paragraph no. 12 of Chapter-I)

Recommendation (Para No. 9)

The Committee also find that a number of Committees were appointed to go into the various aspects of working of Prasar Bharati, *viz*. Sengupta Committee on 1996, Review Committee in 1999 and the Committee on Capital & Financial Restructuring of Prasar Bharati in 2006. However, there does not seem to have been any serious follow up on the recommendations made by the Committees. The Committee have been informed that the recommendations of the later stand referred to a Group of Ministers (GoMs) which is yet to take a decision in this regard. In Committee's view, funding pattern of Prasar Bharati is a key factor in determining the autonomy of the Corporation. Public Service Broadcasting throughout the world being not a remunerative activity, Prasar Bharati is saddled with heavy debt for no fault of its own. While deploring the undue delay in arriving at a definite decision regarding the funding pattern of Prasar Bharati, the Committee trust that, in view of the urgency involved, a decision will soon be taken to arrive at a viable capital structure for Prasar Bharati.

Action Taken by the Government

The recommendations of the Committee on capital and financial restructuring of Prasar Bharati and various options with respect to funding of Prasar Bharati are before the Group of Ministers. The Group of Ministers in its last meeting held on 5th October, 2007 has desred the Ministry to discuss the proposals in detail with the Ministry of Finance for GoM to finalise its recommendations.

[Ministry of Information & Broadcasting, O.M. No. 10/42/2006-B (Fin.), dated 8 November, 2007]

Comments of the Committee

(Please *see* paragraph no. 15 of Chapter-I)

Recommendation (Para No. 13)

The Committee also note that in their Report, the Committee on Capital and Financial Restructuring seems to exude confidence that Prasar Bharati would be able to meet the revenue cost of Public broadcasting as well as capital requirements for upgrading and expansion of its assets through the collection of Licence Fee and Public Broadcasting Service Fee. With this, Government would be required to fund Prasar Bharati only to the extent of shortfall, if any, in order that it may fulfill its Public Broadcasting objectives. The Ministry, however,

expressed the view that instead of keeping the criteria for such funding open-ended, it should be in conformity with the norms to be drawn up in consultation with the Ministry of Finance, Planning Commission and Prasar Bharati and mutually agreed to. The Secretary also apprised the Committee that the GoM had asked the Ministry to draw up suitable norms in this regard in consultation with others and submit the same for their approval. The Committee trust that by the Ministry must have completed the exercise and submitted the proposal for the approval by the GoM. They would like to be apprised of the further action taken in the matter.

Action Taken by the Government

It was possible only after the increase in Revenue generation of the Prasar Bharati. However, 70% (approx.) of funds required by the Prasar Bharati are provided by the Government under plan and Non plan allocation. However, a Committee has been Constituted by Government with a view to enabling Prasar Bharati to meet their twin objectives of social obligations as well as financial independence in an effective manner in the prevailing competitive on capital and financial restructuring of Prasar Bharati and various options with respect to funding of Prasar Bharati are before the Group of Ministers. The Group of Ministers in its last meeting held on 5th October, 2007 has desred the Ministry to discuss the proposals in detail with the Ministry of Finance for GoM to finalise its recommendations.

[Ministry of Information & Broadcasting, O.M. No. 10/42/2006-B (Fin.), dated 8 November, 2007]

Comments of the Committee

(Please *see* paragraph No. 15 of Chapter-I)

Digitalization of Terrestrial Network

Recommendation (Para No. 16)

The Committee note that Doordarshan, which is one of the largest terrestrial networks in the world, operated 30 channels and has 126 Maintenance Centres. Doordarshan has also the distinction of having exclusive rights for terrestrial TV broadcasting in the country. Out of 64 Doordarshan Kendras (DDKs), only 9 major DDKs have been made fully digital and 8 more are in the process. The remaining DDKs are either being made partially digital or are yet to be the digitalized. It has only four digital transmitters set up at Delhi, Mumbai, Kolkata and Chennai on an experimental service against a total number of 1392 analog transmitters in the country. Doordarshan has reportedly included proposals for digitalization of terrestrial transmission in the

11th Plan proposals which are yet to be approved. According to Doorarshan, complete digitalization of terrestrial transmission, as of now, is expected to be achieved only by the end of the 12th Plan, subject to availability of adequate resources. It is quite distressing to note that Doordarshan is still in the initial stages of switching over from analog to digital while most of the developed countries have already digitalized substantially. In the current era of intense competition in broadcasting, Prasar Bharati has been placed at a very disadvantageous position on account of the slow pace of digitalization by Doordarshan. The Committee sense that digitalization would be the most formidable challenge that Prasar Bharati would have to address for making the transmission by Doordarshan more efficient and competitive. They, therefore, emphasize that digitalization of its network should be accorded highest priority and pursued vigorously.

Action Taken by the Government

Prasar Bharati has agreed with the recommendations and intimated that provisions have been projected in the draft 11th plan for digitisation of the DD Network.

Doordarshan has initiated process of digitisation by establishing of DVBT transmitters at 4 metors. Utilisation of the digital transmitter at Delhi to provide mobile TV service has been started in May 2007. It is proposed to provide similar mobile TV service through digital transmitter at other metros cities also.

Digitisation of terrestrial transmitter is one of the thrust areas of 11th Plan. For the digitalization of the transmitter is network Rs. 1166 crore was projected in the 11th Plan. However due to reduced overall allocation indicated by Planning Commission for the 11th Plan, this outlay is proposed to be reduced to Rs. 210 crores. With the reduced allocation it will be difficult to complete the digitalisation targets by 2017 (proposed date for completion of migration to digital). It is felt that there is a need for enhancement of the allocation outlay for digitalisation under 11th Plan to hasten the process. In addition Government may have to look at public private partnership for the digitalization of the network. The Working Group for the Xth Plan and the Telecom Regulatory Authority of India (TRAI) have made a recommendation to this effect, which are under consideration of the Government.

[Ministry of Information & Broadcasting, O.M. No. 10/42/2006-B (Fin.), dated 8 November, 2007]

Comments of the Committee

(Please *see* paragraph no. 18 of Chapter-I)

Recommendation (Para No. 17)

The Committee note that AIR network consists of 225 Broadcasting Centres and 361 Broadcasting Transmitters. Hard Disc based system that has the advantage of high quality digital recording, reliability, playback facility for linear non-destructive editing, non-deterioration of signal quality with successive generation of sound dubbing, etc. has been provided only at 76 Broadcasting Centres with a provision for covering 61 more AIR stations under phase II which was expected to be implemented by March, 2007. Whereas 526 Ultra Portable digital recorders have already been introduced in the network, the process is on for provision of 125 Digital Field Recorders, 61 Digital Audio Consoles and 255 hand Held OB Recorders. Upgradation of analogue uplink to digital mode has been done at 23 AIR stations. Despite all these steps taken for digitalization of network, the Committee note with dismay that only one AIR studio in Delhi is fully digitalized thus far. It leaves much to be desired in the process of converting AIR into a competitive network. The Committee, therefore, desires that digitalization of AIR infrastructure should be accorded highest priority and the need for adequate resources for meeting the challenge should be pursued vigorously.

Action Taken by the Government

Digitalisation of AIR network is one of the major thrust areas of 11th plan. This includes digitalisation of the programme production, transmission facilities and connectivity. AIR had projected Rs. 3145 crores for digitalisation during the 11th Plan. However due to reduced overall allocation indicated by Planning Commission for the 11th plan, this outlay is proposed to be reduced to Rs. 955 crore. With the reduced allocation it will be difficult to complete the digitalization targets by 2017. There is a need to enhance the allocation outlay to hasten the digitalisation as well as to complete the migration to digital in time.

[Ministry of Information & Broadcasting, O.M. No. 10/42/2006-B (Fin.), dated 8 November, 2007]

Comments of the Committee

(Please *see* paragraph no. 18 of Chapter-I)

CHAPTER V

OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH REPLIES ARE OF INTERIM NATURE

Financing and Funding Pattern

Recommendation (Para No. 8)

The Committee note that the revenue earned by Prasar Bharati during the years from 2003-04 to 2005-06 was Rs. 567.17 crores, Rs. 717.02 crores and Rs. 1046.83 crores respectively. The revenue expenditure of the Corporation in the corresponding years was Rs. 1363.25 crores, Rs. 1500.61 crores and Rs. 1738.96 crores with deficit of Rs. 9478.28 crores, Rs. 880.28 crores and Rs. 906.19 crores. The cash deficit has been met by releasing loans and grants by the Government. The Balance Sheet of Prasar Bharati reflects a cumulative deficit of Rs. 5540.22 crores (provisional) as on 31.3.2007. The Committee note that the Review Committee on the Working of Prasar Bharati had recommended in 1999 that Prasar Bharati should target to be financially self sufficient within five years so that the Corporation would not require major funding from the Government. The Committee, however, note with concern that this has remained a distant dream with no definite steps taken to achieve the same. Since the fate of the Corporation cannot, in any case, be allowed to continue to hang fire indefinitely, the Committee expect the Government to pursue the matter with all the seriousness it deserves.

Action Taken by the Government

While efforts to increase revenue generation continue to be taken, Prasar Bharati would have to depend on budgetary support for carrying out its public service broadcasting. Modernization would also require budgetary support.

2. The recommendations of the Committee on capital and financial restructuring of Prasar Bharati and various options with respect to funding of Prasar Bharati are before the Group of Ministers. The Group of Ministers in its last meeting held on 5th October, 2007 has desired the Ministry to discuss the proposals in detail with the Ministry of Finance for GoM to finalise its recommendations.

[Ministry of Information & Broadcasting, O.M. No. 10/42/2006-B (Fin.), dated 8 November, 2007]

Recommendation (Para No. 10)

The Committee feel that savings like 'funding influences content' and 'who pays commands' must have influenced that framers of the Prasar Bharati Act to provide for raising of resources through Broadcast Receiver Licence Fees to sustain the operations of Prasar Bharati. In fact, the funds coming through the second source of income as provided for in the Act, *i.e.,* Grant-in-Aid from the Government, has been adding further burden on the finances of the Corporation. Moreover, viewing from the context of autonomy of Prasar Bharati, heavy dependence on Government funds is not a healthy practice. The Committee have been informed that funding of Public Service Broadcasting trough collection of Licence Fee on television sets is a common phenomenon across the world. According to the Ministry in countries like UK, Japan, Sweden, France, Germany, Italy, Ireland and several others, much of the resources are raised through the levy of Licence Fee. Some other countries follow a mixed model, where apart from direct or indirect funding, revenue is generated by selling limited air-time for advertisements. The Committee on Capital & Financial Restructuring had recommended levying Licence Fee on all television sets at the point of production at an ad-valorem rate collected through the Excise Department. According to them, while it would also meet the concept of user funding the cost of Public Broadcasting, the recurring amount could be used for funding the revenue cost of Public Broadcasting Services. It was estimated that if such a levy is 10%, it would fetch an amount of Rs. 896 crores per annum an at the rate of 5% it would be Rs. 448 crores. It was also submitted before the Committee, that charging of Licence Fee was something prevalent in the country in the yester years, but was abolished in the eighties. As the cost of collection of Licence Fee annually would be quite high, it has been suggested in the report of the Committee on Capital & Financial Restructuring that it should be collected in lump sum as one time fee. Whatever be the merits of these arguments, the Committee are of the considered view that the proposal requires wider consultations with the stakeholders and detailed examination before taking a final decision in the matter. The Committee further desire that other possible options for funding of Prasar Bharati should also be explored.

Action Taken by the Government

The recommendations of the Committee on capital and financial restructuring of Prasar Bharati and various options with respect to funding of Prasar Bharati are before the Group of Ministers. The Group of Ministers in its last meeting held on 5th October, 2007 has desired

the Ministry to discuss the proposals in detail with the Ministry of Finance for GoM to finalise its recommendations.

[Ministry of Information & Broadcasting, O.M. No. 10/42/2006-B (Fin.), dated 8 November, 2007]

Recommendation (Para No. 11)

The Committee note that another source of funding suggested is through the levy of Public broadcasting Service Fee (PBSF) on the lines of Universal Service Obligation Fund (USOF) in the telecom sector. The rationale put forward for the levy of the fee is that all players should bear the burden of social obligation in broadcasting. It has been proposed that every channel should be given the mandate to set aside 10% of their time for Public Service Broadcasting and the fee should be levied on them to the extent they fail to meet the obligation. On a rough estimate, the amount to be realized through PBSF is expected to be the tune of Rs. 800 crores at the rate of 5% per annum. Yet another source of revenue suggested by the Ministry during the course of evidence is through financing of programmes sponsored by Ministries, State Governments and Public Sector Undertakings to be aired on Doordarshan in keeping with their mandate to educate and inform the public on Government policies and programmes. The revenue earned through these programmes, over and above what Prasar Bharati does on its own, would go a long way in bringing down Government's direct budgetary supports to Prasar Bharati. The Committee urges the Government to examine these proposals in right earnest to their logical conclusion.

Action Taken by the Government

The recommendations of the Committee on capital and financial restructuring of Prasar Bharati and various options with respect to funding of Prasar Bharati are before the Group of Ministers. The Group of Ministers in its last meeting held on 5th October 2007 has desired the Ministry to discuss the proposals in detail with the Ministry of Finance for GoM to finnalise its recommendations.

[Ministry of Information & Broadcasting, O.M. No. 10/42/2006-B (Fin.), dated 8 November, 2007]

Recommendation (Para No. 12)

The Committee on Capital and Financial Restructuring had also suggested that Prasar Bharati should try to maximize the revenue

generation on its commercial channels and programmes by AIR and Doordarshan competing with commercial broadcasters. It was also suggested that if AIR wished to expand the FM Channels, which are run purely on commercial lines, it should have the freedom to do so. Programmes meant for entertainment, other than those for education, agriculture, public health and sanitation, literacy campaign, etc., should earn commercial revenue through advertisement or sponsorship. In addition, it was also suggested that efforts should be made for maximizing revenue through best utilization of the assets owned by Prasar Bharati. Prasar Bharati should aim at becoming the market and technology leader with the support of the revenue generated through the above measures. The Committee feel that the above suggestions are very relevant and should be considered for implementation after weighing the pros and cons thereof. They suggest that no stone should be left unturned in the efforts to make Prasar Bharati fully self-reliant.

Action Taken by the Government

Prasar Bharati has agreed with the advice of the Committee. Prasar Bharati has stated that efforts need to be upscaled to have greater financial self-reliance. The recommendations of the Committee on capital and financial restructuring of Prasar Bharati and various options with respect to funding of Prasar Bharati are before the Group of Ministers. The Group of Ministers in its last meeting held on 5th October, 2007 has desired the Ministry to discuss the proposals in detail with the Ministry of Finance for GoM to finalise its recommendations.

[Ministry of Information & Broadcasting, O.M. No. 10/42/2006-B (Fin.), dated 8 November, 2007]

Capital and Financial Restructuring

Recommendation (Para No. 14)

The Committee note with concern that Prasar Bharati is saddled with a cumulative deficit of Rs. 5540.22 crores pertaining to post Prasar Bharati period of 9 years which has been met by loans and grants given by the Government. On the other hand, Prasar Bharati is in dire need of substantial funds for upgradation of its technology in order to keep pace with the technological advancement and competition in the broadcasting sector. The Committee find that with the labour intensive technology in AIR, it requires huge investment for modernizing its network without commensurate revenues. In the given context, the committee on Capital and Financial Restructuring, after evaluating various organizational restructuring options, arrived at the conclusion

that the only viable option for Prasar Bharati is to retain all the assets as was being done at present with total revamping of the Corporation. As part of Capital Restructuring Plan for Prasar Bharati meant to bring down Government grants in terms of Plan and non-Plan, the Committee suggested that Rs. 3734.03 crores released by Government till 1st April, 2005 which was utilized for meeting revenue deficit be written off and the balance of Rs. 4876.61 crores utilized for building fixed and Current Assets be converted into Capital Reserves after assigning Rs. 500 crores as share capital of Prasar Bharati. It has been pointed out that a low equity base is being suggested for Prasar Bharati as the cash flow and financial projections do not reflect a comfortable position with regard to servicing of capital. It was felt that Prasar Bharati needed a capital base for any financial institution to be interested in lending to it for any commercial venture that it may want to take up and also for the Corporation to undertake commercial activity and marketing. The Committee feel that the proposed Capital Restructuring Plan merits serious consideration of the Government.

Action Taken by the Government

The recommendations of the Committee on capital and financial restructuring of Prasar Bharati and various options with respect to funding of Prasar Bharati are before the Group of Ministers. The Group of Ministers in its last meeting held on 5th October 2007 has desired the Ministry to discuss the proposals in detail with the Ministry of Finance for GoM to finalise its recommendations.

[Ministry of Information & Broadcasting, O.M. No. 10/42/2006-B (Fin.), dated 8 November, 2007]

Recruitment Rules and Service Conditions of Employees

Recommendation (Para No. 22)

The Committee note that out of 38,829 employees, only 1,675 people were recruited on the rolls of Prasar Bharati after its formation and as many as 37,174 were originally Government employees who are now working on 'deemed deputation' in Prasar Bharati in accordance with Section 11 of the Prasar Bharati Act. By September, 2002 Prasar Bharati had framed and notified Regulations with regard to recruitment, remuneration and service conditions in respect of 122 categories of posts according to Section 33 of the Act in consultation with the Government of India and Regulations in respect of most of the remaining categories of employees were in place in the draft form. As various Employees' Associations at this stage expressed the view that

the Regulations were not acceptable to them, an MoU was signed with the Joint Forum of AIR and Doordarshan Engineering Employees wherein it was agreed that all the Regulations would be reviewed. With the Associations representing the employees subsequently raising certain issues for grant of higher pay scales which had huge financial implications, a concensus could not be arrived at.

Action Taken by the Government

As regards notifying the resolutions with regard to recruitment, remuneration and service conditions of the employees of Prasar Bharati, there is no change in the status. Further, the issues regarding higher pay and service conditions of the employees of Prasar Bharati are under consideration of the GoM. The last meeting of the GoM was held on 5.10.2007 and it was decided that the employees of Prasar Bharati will be on "deemed deputation" with all facilities at par with the Central Government employees.

[Ministry of Information & Broadcasting, O.M. No. 10/42/2006-B (Fin.), dated 8 November, 2007]

Recommendation (Para No. 23)

The Committee also note that on 29th March, 2005,, the Supreme Court directed that the uncertainty about the service conditions of employees be resolved expeditiously. At a subsequent meeting held by the then Minister for Information and Broadcasting with the employees' Associations, apprehensions were expressed by them at the manner in which Rules were being framed and wanted their viewpoint to be taken into account before finalizing the Regulations. Subsequently, a Group of Ministers (GoMs) was constituted by the Government on 7th March, 2006 to go into the working of Prasar Bharati including the service conditions of employees. In their judgement against a Civil Appeal, the Supreme Court on 2nd February, 2007 has directed the Union of India to take a firm decision in term of Section 11 of the Prasar Bharati Act within six months. As per the judgement, the entire process of framing the Regulations regarding the service matters of employees of Prasar Bharati is required to be completed by 2nd August, 2007. The GoM had also in their third meeting held on 31st August, 2006 asked the Ministry to get specific proposals on service conditions and pay structures of employees of Prasar Bharati ready. The modalities were to be worked out by Prasar Bharati on which the Ministry would obtain the approval of the Department of Personnel and Training and the Ministry of Finance and finally submit it to the GoM for their final decision. The Committee note with serious concern that the

question of service conditions and pay structures of the employees of Prasar Bharati has been hanging fire for more than 7 years without arriving at any decision. Notwithstanding the legal and administrative hurdles that came in the way of finalizing the Regulations, the Committee are of the firm view that Prasar Bharati and the Ministry should have expedited the whole process. Despite the deadline of 2nd August, 2007 set by the Supreme Court for framing the Regulations fast approaching and having received the directive from GoM about nine months ago, nothing concrete seems to have been done by Prasar Bharati to finalise the Regulations regarding service conditions and pay structures of the employees. Without mincing words, the Committee would like to say that the Government cannot dilly-daily any further on an issue of such vital significance relating to the healthy functioning of the Corporation. While deploring the delay in the finalisation of the Regulations, the Committee desire that the stalemate should be ended by drawing up the Regulations and getting them approved at the appropriate level. The Committee would await the action taken by the Ministry in this regard.

Action Taken by the Government

The Supreme Court in its order dated 2nd February, 2007 directed the Government to take a firm decision about the status of the employees of Prasar Bharati in terms of section 11 of the Prasar Bharati Act within six months. On request from the Government, the Supreme Court has granted three months more time for deciding the issue. This issue was under the consideration of the GoM. In its last meeting held on 5.10.2007, the GoM decided that the employees of Prasar Bharati will be on "deemed deputation" with all facilities at par with the Central Government employees. As regards regulations, 122 regulations have already been notified. However, these regulations could not be implemented, as these were not acceptable to the various Employees Associations. The remaining 71 regulations are ready in draft form.

[Ministry of Information & Broadcasting, O.M. No. 10/42/2006-B (Fin.), dated 8 November, 2007]

NEW DELHI;
16 *July,* 2008
25 *Asadha,* 1930 *(Saka)*

NIKHIL KUMAR,
Chairman,
Standing Committee on Information Technology.

APPENDIX

STANDING COMMITTEE ON INFORMATION TECHNOLOGY
(2007-2008)

MINUTES OF THE TWENTY-SIXTH SITTING
OF THE COMMITTEE

The Committee sat on Wednesday, the 16th July, 2008 from 1500 hrs. to 1720 hrs. in Room No. G-074, Parliament Library Building, New Delhi.

PRESENT

Shri Nikhil Kumar — *Chairman*

MEMBERS

Lok Sabha

2. Shri Abdullakutty
3. Shri Nikhil Kumar Choudhary
4. Shri Sanjay Shamrao Dhotre
5. Shri Narahari Mahato
6. Shri G. Nizamuddin
7. Shri Sohan Potai
8. Shri Badiga Ramakrishna
9. Shri Tufani Saroj
10. Shri K.V. Thangka Balu
11. Shri P.C. Thomas

Rajya Sabha

12. Shri Praveen Rashtrapal
13. Shri Dara Singh
14. Shri A. Vijayaraghavan
15. Dr. C.P. Thakur
16. Shri Gireesh Kumar Sanghi

SECRETARIAT

1. Shri P. Sreedharan	—	*Joint Secretary*
2. Smt. Sudesh Luthra	—	*Director*
3. Shri P.C. Koul	—	*Deputy Secretary*
4. Shri D.R. Mohanty	—	*Under Secretary*

WITNESSES

Ministry of Information and Broadcasting

Sl.No.	Name	Designation
1.	****	***
2.	****	***
3.	****	***
4.	****	***
5.	****	***
6.	****	***
7.	****	***
8.	****	***

2. At the outset, the Chairman welcomed the members of the Committee and the representatives of the Ministry of Information & Broadcasting to the sitting of the Committee.

3. *** *** ***

4. The Chairman, then, thanked the witnesses for appearing before the Committee as well as for furnishing valuable information desired by the Committee.

A verbatim record of the proceedings has been kept.

The witnesses, then, withdrew.

5. The Committee, then took up the following Draft Reports for consideration and adopted the same:

(i) Draft Report on Action Taken by the Government on Observations/Recommendations of the Committee contained in their Forty-seventh Report on 'The Role of Prasar Bharati and its future status'.

(ii) *** *** ***

***Matter not related to this report.

6. The Committee then decided to present the above Reports to the Hon'ble Speaker under Direction 71(A) of the Directions by the Speaker, Lok Sabha. The Committee, also, authorised the Chairman to finalise the above Draft Reports and present the same to the Speaker on a date convenient to him.

The Committee, then, adjourned.

ANNEXURE

ANALYSIS OF ACTION TAKEN BY GOVERNMENT ON THE FORTY-SEVENTH REPORT (FOURTEENTH LOK SABHA)

[*Vide* Paragraph No. 5 of Introduction]

(i) Observations/Recommendations which have been accepted by the Government: Paragraph Nos. 1, 5, 6, 7, 18, 19, 20, 21, 24, 25 & 26

Total : 11

Percentage : 42.3

(ii) Observations/Recommendations which the Committee do not desire to pursue in view of the Replies of the Government: Paragraph No. 15

Total : 01

Percentage : 3.8

(iii) Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration: Paragraph Nos. 2, 3, 4, 9, 13, 16 & 17

Total : 07

percentage : 26.9

(iv) Observations/Recommendations in respect of which replies are of interim nature: Paragraph Nos. 8, 10, 11, 12, 14, 22 & 23

Total : 07

Percentage : 26.9

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The Souvenir items with logo of Parliament are also available at Sales Counter, Reception, Parliament House, New Delhi. The Sourvenir items with Parliament Museum logo are avialable for sale at Souvenir Shop (Tel. No. 23035323), Parliament Museum, Parliament Library Building, New Delhi. List of these items are available on the website mentioned above."

SIXTIETH REPORT

STANDING COMMITTEE ON INFORMATION TECHNOLOGY (2007-2008)

(FOURTEENTH LOK SABHA)

MINISTRY OF INFORMATION AND BROADCASTING

[Action taken by the Government on the Observations/Recommendations of the Committee contained in their Forty-Seventh Report (Fourteenth Lok Sabha) on the Role of Prasar Bharati and its future status]

Presented to Lok Sabha on 22 July, 2008

Laid in Rajya Sabha on 22 October, 2008

LOK SABHA SECRETARIAT
NEW DELHI

July, 2008/*Asadha,* 1930 *(Saka)*

C.I.T. No. 193

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COMPOSITION OF THE STANDING COMMITTEE
ON INFORMATION TECHNOLOGY
(2007-2008)

Shri Nikhil Kumar — *Chairman*

MEMBERS

Lok Sabha

2. Shri Abdullakutty
3. Shri Ramesh Dube
4. Shri Nikhil Kumar Choudhary
5. Shri Sanjay Shamrao Dhotre
6. Smt. Jayaprada
7. Shri Narahari Mahato
8. Shri Bhubaneshwar Prasad Mehta
9. Shri Harish Nagpal
10. Shri G. Nizamuddin
11. Shri Sohan Potai
12. Shri Lalmani Prasad
*13. Vacant
14. Shri Badiga Ramakrishna
@15. Vacant
16. Shri Tufani Saroj
17. Shri Tathagata Satpathy
18. Smt. Rubab Sayeda
19. Shri K.V. Thangka Balu
20. Shri P.C. Thomas
21. Shri Kinjarapu Yerrannaidu

**Vice* Kunwar Jitin Prasad ceased to be a member on being inducted to the Union Council of Ministers on 7 April, 2008.

@ Vice Shri Prem Kumar Dhumal ceased to be a member on resignation from Lok Sabha on 7 January, 2008.

Rajya Sabha

22. Shri Praveen Rashtrapal
23. Shri Ravi Shankar Prasad
24. Shri Dara Singh
25. Shri A. Vijayaraghavan
26. Shri N.R. Govindrajar
[$]27. Dr. C.P. Thakur
[$]28. Shri Rajkumar Dhoot
29. Shri Shyam Benegal
30. Shri Rajeev Chandrasekhar
31. Shri Gireesh Kumar Sanghi

SECRETARIAT

1. Shri M. Rajagopalan Nair — *Secretary*
2. Shri P. Sreedharan — *Joint Secretary*
3. Smt. Sudesh Luthra — *Director*
4. Shri P.C. Koul — *Deputy Secretary*
5. Shri D.R. Mohanty — *Under Secretary*

[$] Nominated *w.e.f.* 21 May, 2008.

INTRODUCTION

I, the Chairman, Standing Committee on Information Technology (2007-2008) having been authorised by the Committee to submit the Report on their behalf, present this Sixtieth Report on action taken by the Government on the Observations/Recommendations of the Committee contained in the Forty-seventh Report (Fourteenth Lok Sabha) on 'The Role of Prasar Bharati and its future status' relating to the Ministry of Information and Broadcasting.

2. The Forty-seventh Report was presented to the Speaker on 12 June, 2007. The Report was subsequently presented to Lok Sabha on 21 August, 2007 and laid on the Table of Rajya Sabha on the same day. The Ministry furnished their Action Taken Notes on the Observations/Recommendations contained in the Forty-seventh Report on 8 November, 2007.

3. The Report was considered and adopted by the Committee at their sitting held on 16 July, 2008.

4. For facility of reference and convenience, Observations/ Recommendations of the Committee have been printed in bold letters in Chapter-I of the Report.

5. An analysis of Action Taken by the Government on the Observations/Recommendations of the Committee contained in their Forty-seventh Report (Fourteenth Lok Sabha) is given at Annexure.

NEW DELHI;
16 *July,* 2008
25 *Asadha,* 1930 *(Saka)*

NIKHIL KUMAR,
Chairman,
Standing Committee on
Information Technology

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STANDING COMMITTEE ON INFORMATION TECHNOLOGY (2007-2008)

FOURTEENTH LOK SABHA

MINISTRY OF INFORMATION AND BROADCASTING

[Action taken by the Government on the Observations/Recommendations of the Committee contained in their Forty-Seventh Report (Fourteenth Lok Sabha) on the Role of Prasar Bharati and its future status]

SIXTIETH REPORT

LOK SABHA SECRETARIAT
NEW DELHI

July, 2008/*Asadha,* 1930 *(Saka)*